

## ECONOMIC DEVELOPMENT, IOWA DEPARTMENT OF[261]

### Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)"b."

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code sections 15.104 and 15.106, the Iowa Department of Economic Development hereby gives Notice of Intended Action to rescind Chapter 110, "Lean Manufacturing Institute," and to amend Chapter 111, "Supplier Capacity and Product Database Program," Iowa Administrative Code.

The amendments update Iowa Code citations; add references to 2009 Iowa Acts, Senate File 142, section 1, which permits moneys in the Innovation and Commercialization Fund to be used for supply chain initiatives; revise the title of Chapter 111; add a definition of "performance improvement programs," and rescind Chapter 110, "Lean Manufacturing Institute." The revised Supply Chain Development Program incorporates activities currently found in Chapter 110. These amendments will allow applicants with projects that qualified under the Lean Manufacturing Institute to qualify under the Supply Chain Development Program.

Public comments concerning the proposed amendments will be accepted until 4 p.m. on September 11, 2009, the same date as the public hearing. Interested persons may submit written or oral comments by contacting Mark Laurenzo, Iowa Department of Economic Development, 200 East Grand Avenue, Des Moines, Iowa 50309; telephone (515)725-3191; fax (515)725-3010.

A public hearing about the proposed amendments has been scheduled for September 11, 2009, at 10 a.m., in the Second Floor Main Conference Room, Iowa Department of Economic Development, 200 East Grand Avenue, Des Moines, at which time persons may present their views either orally or in writing. Any persons who intend to attend the public hearing and have special requirements, such as those relating to hearing or mobility impairments, should contact the Department, and advise of specific needs.

These amendments are intended to implement Iowa Code section 15.411 as amended by 2009 Iowa Acts, Senate File 142, section 1.

The following amendments are proposed.

ITEM 1. Rescind and reserve **261—Chapter 110**.

ITEM 2. Amend **261—Chapter 111**, title, as follows:

~~SUPPLIER CAPACITY AND PRODUCT DATABASE~~ SUPPLY CHAIN  
DEVELOPMENT PROGRAM

ITEM 3. Amend the parenthetical implementation statutes in **261—Chapter 111** as follows:  
(~~82GA, ch 122~~ 15,83GA,SF142)

ITEM 4. Amend rule 261—111.1(15,83GA,SF142) as follows:

**261—111.1(15,83GA,SF142) Authority.** The authority for establishing rules governing the supplier capacity and product database supply chain development program is ~~2007 Iowa Acts, chapter 122, section 7(2)~~ Iowa Code section 15.411(10).

ITEM 5. Rescind the definition of “Supplier capacity and product database” in rule **261—111.3(15,83GA,SF142)**.

ITEM 6. Adopt the following **new** definition of “Performance improvement programs” in rule **261—111.3(15,83GA,SF142)**:

“*Performance improvement programs*” means process management philosophies, best practices, and appropriate tools from methodologies in use in manufacturing total quality and value systems that support supply chain development and provide a competitive advantage.

ITEM 7. Amend subrule 111.4(2) as follows:

**111.4(2)** Funds shall be used for the analysis of targeted industry clusters and the development and delivery of manufacturing supply chain development programs. Funds may be used for personnel salaries, software, research data services, and training the development and delivery of performance improvement programs. ~~Funds shall not be used to purchase equipment.~~ Funds may be used for the systematic design and layout planning for manufacturing operational areas and to purchase machinery and equipment.

ITEM 8. Amend subrule 111.11(3) as follows:

**111.11(3) Reporting.** An applicant shall submit any information requested by the department in sufficient detail to permit the department to prepare the report required pursuant to ~~2008 Iowa Acts, House File 2450, section 6(9)“l,”~~ Iowa Code section 15.104(9)“l” and any other reports deemed necessary by the department, the board, the general assembly or the governor’s office.

ITEM 9. Amend **261—Chapter 111**, implementation sentence, as follows:

These rules are intended to implement ~~2007 Iowa Acts, chapter 122, section 7(2)~~ Iowa Code section 15.411 as amended by 2009 Iowa Acts, Senate File 142, section 1.